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# World Production and Trade

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Foreign  
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Roundup  
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The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

## OILSEEDS AND PRODUCTS

EGYPT's Ministry of Industry has indicated that it is seeking government approval to import 150,000-200,000 tons of soybeans. Historically, the majority of Egyptian soybean imports are from the United States. USDA's 1984/85 total soybean import forecast for Egypt is 75,000 tons.

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CHINA's oilseed production in 1984/85 is forecast at a record 31.2 million tons, with cottonseed output showing the largest increase. Soybean exports are expected to reach 850,000 tons, according to the U.S. agricultural counselor in Beijing. USDA now estimates 1984/85 soybean exports for China at 700,000 tons. Despite the low per-capita consumption of edible oils and underutilization of oilseed meals relative to the size of the livestock industry, China views itself increasingly as an oilseed-exporting country.

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MEXICO's soybean production is estimated to be up by 125,000 tons to 550,000 tons and the estimate of soybean imports is reduced by 50,000 tons to 1.5 million. Mexico's imports of sunflowerseed are now estimated at 500,000 tons, up slightly from the previous estimate. Mexico is the leading U.S. export market for sunflowerseed, but last year turned to Argentina as an alternative source of supply. The agricultural counselor expects Mexico to continue to import sunflowerseed from Argentina, despite Argentina's inability to fulfill its 1984 contract.

## DAIRY, LIVESTOCK AND POULTRY

Poultry farming has been the fastest growing sector of YUGOSLAVIA's agricultural economy in the past 20 years. Since 1963, poultry meat production has increased fourfold and egg production by 300 percent. In 1984, poultry meat production totaled 300,000 tons or 4.5 percent above the previous year's output, according to the U.S. agricultural counselor in Belgrade.

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## COTTON AND FIBERS

Representatives of CHINATEX and the JAPANESE cotton trade have reached a "fundamental understanding" for a new agreement to govern shipping terms for Chinese cotton trade to Japan. The agreement will establish quality certifications and standard product weight, and establish penalties for such problems as shipping delays.

## SUGAR AND SWEETENERS

YUGOSLAVIA's 1984/85 beet sugar production is now estimated at 985,000 tons, 27 percent more than last year and a new record outturn, according to the U.S. agricultural counselor in Belgrade. The expected increase stems from excellent beet yields as area was up by only 3 percent from a year ago. Favorable weather during the summer, with a long, sunny period through harvesting, were given as reasons for the record harvest.

## FRUIT AND NUTS

Below freezing temperatures struck key citrus and vegetable producing areas of southeastern SPAIN beginning on the morning of January 7, according to the U.S. agricultural counselor in Madrid. Coastal temperatures averaged as low as -1 to -3 degrees centigrade (26 to 31 degrees fahrenheit)--cold enough to damage citrus fruit and sensitive vegetables. The freezing temperatures were reported for several consecutive days with temperatures moderating by January 10.

Trade and official sources in Spain are reporting damage to unharvested citrus--primarily tangerines, navelina and blood oranges, and primofiori lemons--in portions of the provinces of Valencia and Murcia. The Spanish government has not embargoed citrus exports but is carefully inspecting exportable fruit. More specific damage assessments will be released when they become available.

## TRADE NOTES

Recent trends in U.S. agricultural trade reflect notable declines in U.S. exports to the European Community (EC) at a time when trade with countries comprising the Pacific Basin 1/ has shown steady (albeit interrupted) growth. Between fiscal 1980 and 1984, U.S. exports to the EC declined from \$9.5 to \$6.7 billion, representing a drop in the share of the U.S. export market from 23.5 percent to only 17.6 percent. Meanwhile, U.S. agricultural exports to the Pacific Basin climbed from \$12.1 billion in fiscal 1980 to \$12.6 billion in fiscal 1984, after hitting a pre-recession peak of \$13.8 billion in fiscal 1981. The latter's share of the U.S. export market stood at 33.2 percent in fiscal 1984, up from 29.9 percent four years ago.

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Such shifting trade patterns have occurred largely due to declines in exports to the EC of wheat, coarse grains, oilseed products, shelled tree nuts and furskins; and to growing Pacific Rim markets for U.S. beef, corn, hides and skins, seeds, tobacco, poultry and poultry products, soybeans and selected fruits and vegetables. While declines in U.S. exports to the EC have been the product of recessionary economic conditions that have more broadly affected global trade in agriculture, they are more directly attributable to domestic farm programs whose high domestic price supports and import surcharges have contributed to both growing self-sufficiency and subsidized exports.

Barring a dramatic depreciation in the value of the U.S. dollar, such trends above are likely to be encouraged by forecasts of economic growth between 1985-89, when average annual growth rates for the Pacific Basin and the EC are placed at 5.8 percent and 2.0 percent, respectively. This is particularly true given the relatively stronger U.S. dollar vis-a-vis major European currencies, the sluggish nature of Europe's economic recovery, future EC policies that are not expected to encourage livestock production and Europe's continued high unemployment rates.

U.S. Agricultural Trade Balance  
(In \$ billion)

	FY1980	FY1981	FY1982	FY1983	FY1984
Pacific Basin <u>1/</u>					
Exports	12.1	13.8	12.1	11.1	12.6
Imports	4.1	4.3	3.6	3.6	4.1
Trade Balance	8.0	9.5	8.5	7.5	8.5
European Community					
Exports	9.5	8.8	8.7	7.5	6.7
Imports	2.0	2.2	2.4	2.7	3.2
Trade Balance	7.5	6.6	6.3	4.8	3.5

Source: U.S. Census

1/ Australia, China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan and Thailand.



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WASHINGTON, D.C. 20250

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Selected International Prices

Item	Jan. 15, 1985	Change from previous week	A year ago
ROTTERDAM PRICES 1/	\$ per MT	\$ per bu.	\$ per MT
Wheat:			
Canadian No. 1 CWRS-13.5%.	188.00	5.12	0
U.S. No. 2 DNS/NS: 14%....	182.50	4.97	+1.50
U.S. No. 2 S.R.W. ....	165.50	4.50	+6.00
U.S. No. 3 H.A.D.....9/	186.00	5.06	-16.00
Canadian No. 1 A: Durum.9/	200.00	5.44	-3.00
Feed grains:			
U.S. No. 3 Yellow Corn....	133.00	3.38	0
Soybeans and meal:			
U.S. No. 2 Yellow.....	241.50	6.57	+3.25
Brazil 47/48% SoyaPellets 4/	184.00	--	+4.00
U.S. 44% Soybean Meal....	169.00	--	+3.00
U.S. FARM PRICES 3/			
Wheat.....	124.18	3.38	+73
Barley.....	83.67	1.80	+92
Corn.....	102.36	2.60	+39
Sorghum.....	92.15	4.18 2/	+44
Broilers 4/.....	1176.82	--	+17.64
EC IMPORT LEVIES			
Wheat 5/.....	44.20	1.20	-2.05
Barley.....	55.55	1.21	-1.30
Corn.....	45.45	1.15	-.90
Sorghum.....	49.95	1.27	-2.70
Broilers 4/ 6/ 8/.....	155.00	--	-5.00
EC INTERVENTION PRICES 7/			
Common wheat(feed quality)	139.20	3.78	-4.70
Bread wheat (min. quality)7/	148.20	4.03	-5.00
Barley and all			
other feed grains.....	139.20	--	-4.70
Broilers 4/ 6/.....	1026.00	--	-66.00
EC EXPORT RESTITUTIONS (subsidies)			
Wheat .....	14.75	.40	--
Barley.....	28.10	.61	-.20
Broilers 4/ 6/ 8/.....	91.00	--	-3.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Twelve-city average, wholesale weighted average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ April-May. N.A.=None authorized. N.Q.=Not quoted. Note: Basis February delivery.